



City Councilmember
Carl DeMaio

News Release

DeMaio Announces Major Settlement in 2007 Wildfire Debris Removal Case

*Holds Contractors Accountable and Recovers Taxpayer Funds
Due To Alleged Over-Billing by City Contractors*

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SAN DIEGO – Councilmember Carl DeMaio today announced a major settlement agreement that recovers \$900,000 for taxpayers stemming from alleged over-billing by city contractors for debris removal after the 2007 Wildfires.

"Today's settlement not only recovers taxpayer funds, but it sends a message that we will hold city contractors accountable for cost and quality on all work they perform in the City of San Diego," DeMaio noted as he announced the settlement.

Since taking office, DeMaio has aggressively pushed legal action against the contractors, and when the City Council was poised to drop the case due to litigation costs, DeMaio crafted a cost-free way to pursue the City's case by using outside counsel on a contingency fee basis. DeMaio also played a role in the mediation process that led to today's settlement agreement.

The controversy arose when Rancho Bernardo residents noticed that the bills from City-contracted haulers were much larger than privately-contracted haulers doing the same jobs.

With additional investigative work by the Union-Tribune, 10 News and the Watchdog Institute, evidence emerged that suggested firms were clearing more material than necessary on fire-damaged lots and charging taxpayers for the increased tonnage. "The UT, 10 News and the Watchdog Institute – particularly reporters Brooke Williams and Wendy Fry – deserve high praise for bringing this story to light," DeMaio noted.

"I also want to commend City Attorney Jan Goldsmith for his leadership in pursuing this case and working with me to find a creative way to resolve our dispute with the contractors," DeMaio noted. "We pursued a quiet, but focused path to advancing this litigation and achieving results on behalf of taxpayers," DeMaio noted.

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